SPIND MALAYSIA SDN BHD v. JUSTRADE MARKETING SDN BHD & ANOR

HIGH COURT MALAYA, KUALA LUMPUR
AZIZAH NAWAWI J
[CIVIL SUIT NO: 22IP-53-12-2012]
19 AUGUST 2015

INTELLECTUAL PROPERTY: *Patent – Validity – Novelty – Whether invention anticipated by prior art – Whether disclaimed feature expressly stated in patent – Whether disclaimed feature was solution to problems in field of technology generally – Whether patent involved inventive steps – Whether patent valid – Patents Act 1983, ss. 12(1) & 14(1)*

INTELLECTUAL PROPERTY: *Patent – Infringement – Whether invention anticipated by prior art – Whether patent involved inventive steps – Whether patent valid – Whether invalidity of patent negated claim for infringement of patent – Patents Act 1983, ss. 12(1) & 14(1)*

The plaintiff was in the business of designing and manufacturing various plumbing products and was the registered proprietor of Malaysian Patent No. MY-567 ('MY-567 patent') in respect of 'improvement in and relating to floor traps' ('the SPIND Floor Gully/Trap'). Thereafter, the plaintiff developed and improved the design of the plaintiff's SPIND Floor Gully/Trap and became the owner or otherwise beneficially entitled to deal with certain information of confidential character relating to the plaintiff's sale, development and improvements made to the design of the plaintiff's SPIND Floor Gully/Trap ('the confidential information'). The plaintiff filed the patent application on 5 August 1997 to protect the design and workings of the SPIND Floor Gully/Trap. The plaintiff was also the proprietor of six other industrial designs. The plaintiff alleged that the defendants had produced and sold floor gully/trap known as the 'PAZTEE Floor Gully Trap' and it had infringed MY-567 patent and the industrial designs as it was very similar to the latest version of the SPIND Floor Gully/Trap. It was alleged by the plaintiff that the defendants, who were formerly marketing agent and marketing consultant of the plaintiff respectively, had misappropriated the confidential information belonging to the plaintiff. The plaintiff therefore sought a declaration that the plaintiff was the rightful owner of the inventions. In response, the defendants counterclaimed and sought to invalidate the plaintiff's MY-567 patent as well as the plaintiff's industrial designs on the ground that it was not a registrable invention and was dictated solely by function. The defendants contended that MY-567 patent lacked novelty since it was anticipated by a prior art, US Patent 3,042,210 entitled 'Drainage Trap' ('USP '210') and thus lacked inventiveness.

Held (dismissing plaintiff's claim; allowing defendants' counterclaim):

(1) On the issue of novelty, s. 14(1) of the Patents Act 1983 ('PA 1983') provides that an 'invention is new if it is not anticipated by a prior art'. In the present case, the priority date was the date of the application to register the MY-567 patent, which was filed on 5 August 1997. Although the main thrust of the plaintiff's case was that the USP '210 patent did not anticipate any water tight seal, the usage of the word 'tightly abut together' in USP '210 meant that the contact surface between abutting slope 5 and abutting slope 12 was fluid tight. Therefore, water tight seal had been anticipated from the USP '210. In the circumstances, the plaintiff's patent MY-567 was not new as it was anticipated by USP '210. (paras 26, 38, 41 & 50)

(2) The primary object of the claim is to limit and not to extend the monopoly, where the monopoly claimed must be clearly defined with precision, and what is not claimed is disclaimed. The disclaimed feature, *ie*, the feature that is 'capable of being repaired in the event of damage to the internal parts which is usually the second portion by removing and replacing the damaged second portion' had not been expressly mentioned nor stated in claim 1 of MY-567 patent. The plaintiff was thus reading the disclaimed feature *ie*, reparability into MY-567 patent and this clearly violated the principles that 'it must contain clear and unmistakable directions to do what the patentee claim to have invented ...' (*General Tire & Rubber Co v. Firestone Tyre Rubber Co Ltd*, refd). The reparability feature of the invention, was therefore disclaimed. (paras 46 & 49)

(3) Inventive steps denote a quality of an invention that entails technical advances or improvement as compared to the existing knowledge. In view of the finding that the reparability was a 'disclaimed feature', the reparability concept was not part of the plaintiff's patent specification and hence, could not be an inventive concept. Further, the disclaimed feature was only a solution to some specific problem in some existing product, but not to some problem in the field of technology generally as specified by s. 12(1) of the PA 1983. (paras 57 & 59)

(4) In the circumstances, MY-567 patent was not an invention within the meaning of s. 12(1) of the PA 1983, and neither was it novel nor involved inventive steps to qualify as a patented product. MY-567 patent was therefore invalid and expunged from the Patent Registry. It followed that there was no issue of the defendants infringing the plaintiff's MY-567 patent. (paras 64 & 65)

(5) In order to qualify for registration as an industrial design, it must be an industrial design within the meaning of s. 3(1) of the Industrial Design Act 1996 ('IDA'). The plaintiff failed to establish the 'eye appeal' of the plaintiff's industrial designs, which was the main consideration under

the s. 3(1) of the IDA definition. The plaintiff failed to produce any of their customers, the architects or the consultant to establish the 'eye appeal'. As such, the plaintiff's industrial designs did not fall within the definition of 'industrial design' under s. 3(1) and was therefore not registrable under the IDA. (paras 69 & 74)

(6) Although the plaintiff contended that the crucial confidential information related to the proposed new design was discussed in two technical meetings, allegedly attended by the second defendant, the minutes of the said technical meetings were not contemporaneous documents. The minutes were only created about three years after the said meeting, after the commencement of the suit. Further, there was material discrepancy in the evidence of the plaintiff's own witnesses. Hence, the plaintiff's contention that the confidential information was related to DW3 during the technical meeting was unacceptable. (paras 77-78 & 79)

(7) The defendants' had failed to prove the claim of the unlawful interference with trade on the balance of probability. (para 80)

Case(s) referred to:

Electric & Musical Industries v. Lissen Ltd [1938] 4 All ER 221 ***(refd)***

F&N Dairies (Malaysia) Sdn Bhd v. Tropicana Products, Inc & Other Cases [2013] 1 LNS 380 CA ***(foll)***

General Tire & Rubber Co v. Firestone Tyre Rubber Co Ltd [1972] RPC 457 ***(refd)***

Heveafoam Asia Sdn Bhd v. PF (Teknologi) Sdn Bhd [1998] 1 LNS 658 HC ***(refd)***

Kendek Industry Sdn Bhd v. Ecotherm (TFT) Sdn Bhd [2010] 10 CLJ 219 HC ***(refd)***

Lim Choong Huat & Ors v. Syntlz Enterprise Sdn Bhd & Ors [2010] 1 CLJ 860 HC ***(refd)***

Ranbaxy (Malaysia) Sdn Bhd v. El Du Pont Nemours & Co [2012] 9 CLJ 79 CA ***(refd)***

Seng Kong Shutter Industries Sdn Bhd & Anor v. SKB Shutters Manufacturing Sdn Bhd [2014] 4 CLJ 1037 CA ***(refd)***

SKB Shutters Manufacturing Sdn Bhd v. Seng Keng Shutter Industries Sdn Bhd & Anor [2011] 4 CLJ 93 HC ***(refd)***

Windsurfing International Inc v. Tabur Marine (Great Britain) Ltd [1985] RPC 71 ***(refd)***

Legislation referred to:

Industrial Designs Act 1996, ss. 3(1), 12(2)(a)

Patents Act 1983, ss. 11, 12(1), 14(1), 56(2)(a)

For the plaintiff - Teo Bong Kwang (Ng Yuen May & Wong Chee Wai with him); M/s SK Lam Wong & Yap

For the defendants - Lee Chan Leong (YC Lee with him); M/s Lee YC & Co

Reported by S Barathi

A

JUDGMENT

Azizah Nawawi J:

Introduction

B **[1]** The plaintiff sued the defendants, seeking a declaration that the plaintiff is the lawful owner of a plumbing product known as a floor gully/ trap, which the plaintiff says formed part of the first defendant's Patent Application No. P12011002144 filed with the Malaysian Intellectual Property Office (MyIPO). The plaintiff is also applying to secure several injunctive reliefs against the defendants premised on alleged infringements of
C its patent, industrial designs and confidential information.

[2] In response, in their counterclaim, the defendants seek to invalidate the plaintiff's patent, MY-125567-A('MY-567 patent') as well as the plaintiff's various industrial designs.

D **[3]** After a full trial, this court had dismissed the plaintiff's claim and allowed the defendants' counterclaim.

The Salient Facts

[4] The plaintiff (formerly known as Spears Plastic Industries (M) Sdn Bhd) is in the business of designing and manufacturing various plumbing
E products including one plumbing product known as the SPIND floor gully/ trap.

[5] The plaintiff is also the registered proprietor of Malaysian Patent No. MY-567 in respect of "improvement in and relating to floor traps" (the
F SPIND floor gully/trap) since 30 August 2006, when the patent was accepted for registration.

[6] Thereafter, the plaintiff has developed and improved the design of the plaintiff's SPIND floor gully/trap and became the owner of or otherwise beneficially entitled to deal with certain information of confidential
G character relating to the plaintiff's sale, development and improvements made to the design of the plaintiff's SPIND floor gully/trap ("the confidential information")

[7] The plaintiff filed the patent application on 5 August 1997 to protect the design and workings of the SPIND floor gully/trap. The plaintiff made
H several improvements to first version of the SPIND floor gully/trap known as the SPIND 1 floor gully/trap, resulting in the introduction of updated versions of the SPIND floor gully/trap, with the latest product, the SPIND 6 floor gully/trap.

I **[8]** The plaintiff is also the proprietor of Malaysia Industrial Design No. MY 05-00129 in respect of six industrial designs (under registration No. MY 05-00129-010; MY 05-00129-0206; MY 05-00129-0306; MY 05-00129-0406; MY 05-00129-0506 and MY 0500123-0606). The said industrial design was registered on 4 February 2005 ("the industrial designs").

[9] The first defendant is in the business of supplying construction materials and related products. *Vide* a letter dated 9 October 2010, the first defendant had been appointed as the plaintiff's marketing agent for the sale of the plaintiff's floor gully/trap in Vietnam. The first defendant ceases to be the plaintiff's agent in March 2011.

[10] The second defendant is a shareholder and director of the first defendant. *Vide* a letter of appointment dated 26 April 2008, the second defendant was appointed the marketing consultant of the plaintiff. The second defendant ceased working as a marketing consultant for the plaintiff on/around 15 March 2011.

[11] The plaintiff contends that the defendants began producing and selling a floor gully/trap known as the 'PAZTEE floor gully trap' which the plaintiff claims is infringing it's MY-567 patent and industrial design as it is very similar to the latest version of the SPIND floor gully/trap, namely the SPIND 6 floor gully/trap.

[12] On 12 May 2011, the first defendant filed a patent application under P12011002144 in respect of "top accessible drainage floor trap with built in control valve", which was commercially developed into the first defendant's PAZTEE floor gully trap. The second defendant (DW3) was named the inventor of the invention.

[13] It is also the plaintiff's contention that the disputed patent application contain and covers the new improved design and features that were introduced by the plaintiff through the SPIND 6 floor gully/trap. The plaintiff claims that this is clear evidence that the defendants have misappropriated the confidential information belonging to the plaintiff.

[14] The plaintiff claims that the defendants have, by making, producing and selling the PAZTEE floor gully trap infringed claims 1, 2, 3, 4, 5, 8 and 10 of the MY-567 patent. The plaintiff also claims that the defendants have infringed the said industrial design by selling the PAZTEE floor gully trap which is a fraudulent or obvious imitation of the said industrial designs.

[15] The plaintiff's claims against the defendants are for a declaration that the plaintiff is the rightful owner of the inventions under the disputed patent application by the defendants, withdrawal of the disputed patent application by the first defendant, injunctive relief to restrain the defendants from infringing the MY-567 patent, the industrial designs and continuing with their acts of breach of confidence through the manufacture and sale of the PAZTEE floor gully trap, delivery-up orders and damages.

[16] The defendants disputed the plaintiff's claim and launched a counterclaim seeking a declaration that the plaintiff's MY-567 patent is invalid as the same is not new or inventive and that the industrial design is also invalid as it is not a registrable invention and is dictated solely by function.

Agreed Issues To Be Tried

[17] The parties have identified thirty one (31) issues, which can be summarised as follows:

(i) whether the plaintiff's MY-567 patent is valid;

(ii) if the MY-567 patent is valid, whether the defendant's PAZTEE floor gully trap has infringed the plaintiff's MY-567 patent;

(iii) whether the plaintiff's industrial designs are valid;

(iv) if the plaintiff's industrial designs are valid, whether the defendant's PAZTEE floor gully trap has infringed the plaintiff's industrial designs by applying the said industrial design or a fraudulent or obvious imitation of the same;

(v) whether the second defendant has access to the confidential information and whether he had unlawfully used or misappropriated the confidential information; and

(vi) whether the plaintiff's suit amount to unlawful interference with the first defendant's trade.

Findings Of The Court

Issues On Patent

[18] Parties are on common ground that before this court deals with the plaintiff's claim on infringement of its MY-567 patent, this court will have to ascertain if the plaintiff's MY-567 patent is valid in the first place, as contended by the defendants in their counterclaim. If this court finds that MY-567 patent is invalid, then there is no issue of infringement.

[19] The powers of this court to invalidate a patent is provided by s. 56(2)(a) which reads:

> The Court shall invalidate the patent if the person requesting the invalidation proves what is claimed as an invention in the patent is not an invention within the meaning of section 12 or is excluded from protection under section 13 or subsection 31(1) or is no patentable because it does not comply with the requirements of sections 11, 14 and 16.

[20] Section 11 provides that an invention is patentable if it is new, involves an inventive step and is industrially applicable.

[21] In their written submission, the defendants are relying on two main grounds to invalidate the MY-567 patent, namely:

(i) lack of novelty as it is not new, since it is anticipated by a prior art, US patent 3,042,210, entitled 'drainage trap' ("USP '210"); and

(ii) lack of inventiveness due to a prior art, USP '210.

[22] Parties are on common ground that the task of this court, in any patent action, is to interpret the terms of the claims in the patent. In *Heveafoam Asia Sdn Bhd v. PF (Teknologi) Sdn Bhd* [1998] 1 LNS 658; [2001] 2 MLJ 660, Justice Low Hop Bing states as follows:

> The first task of the court in any patent action is to decide exactly what the monopoly the patentee has been granted ...

[23] It is also common ground that the court will require the assistance of the 'persons skilled in the art' to explain the technical details of the patent specifications. In *Ranbaxy (Malaysia) Sdn Bhd v. El Du Pont Nemours & Co* [2012] 9 CLJ 79; [2012] 4 MLJ 34 CA, Justice Ramly Ali states at p. 93 (CLJ); p. 46 (MLJ):

> Patent specifications (description) are intended to be read by persons skilled in the relevant art, but their construction is for the court. Thus the court must adopt the mantle of the notional skilled addressee and determine, from the language used, what the notional skilled addressee would understand to be the ambit of the claim. To do that it is often necessary for the court to be informed as to the meaning of the technical words and phrases and what was, at the relevant time, the common general knowledge; the knowledge that the notional skilled man would have.

[24] It is the submission of the plaintiff that this court must reject the defendants' counterclaim *in limine* as the defendants did not offer any independent expert evidence, apart from the evidence of DW3, to challenge or contradict the expert opinion of the plaintiff's expert witnesses, PW1 and PW3. Added to that, the plaintiff contends that PW3's evidence must be viewed with 'utmost suspicion' as he is an interested party in this case.

[25] However, I am of the considered opinion that in the circumstances of this case, I will not simply caste aside the evidence of DW3 but will assess his evidence as against the evidence of the plaintiff's expert witnesses. After all, at the end of day, as conceded by the plaintiff, all questions in connection with the interpretation of the claim and specification must be resolved by this court. I find support for this in the judgment of Justice Azhar Mohamad in *Kendek Industry Sdn Bhd v. Ecotherm (TFT) Sdn Bhd* [2010] 10 CLJ 219 where His Lordship said as follows:

> Thus, it stands established that this court requires the assistance of the man skilled in the art in the exercise of construing the validity of the grant of the UI in question.
>
> ...
>
> However, at the end of the day, *all questions in connection with the interpretation of the claims and specification of the UI must be resolved by this court. It is for this court, not (the witnesses) to come to a decision on the matter of construction.*
>
> (emphasis added)

Whether Patent MY-567 Is Novel

[26] On the issue of novelty, s. 14(1) of the Patents Act 1983 provides that an invention is new if it is not anticipated by a prior art. In the present case, the priority date is the date of the application to register the MY-567 patent, which was filed on 5 August 1997. Thus, this court is only to consider a prior art which existed before the priority date of 5 August 1997. In the present case, the defendants are relying on a prior art, USP '210 which was granted on 3 July 1962.

[27] With regards to the issue of anticipation, that is whether an invention has been disclosed by a prior art, the Court of Appeal in *Seng Kong Shutter Industries Sdn Bhd & Anor v. SKB Shutters Manufacturing Sdn Bhd* [2014] 4 CLJ 1037 held as follows:

> ... in considering the issue of whether the plaintiff's patent has been anticipated by a prior art, the correct approach to be adopted is to compare the claims of the plaintiff's patent that defines the invention against the prior Art/PVC Piece. In *General Tire & Rubber Co* cited by learned counsel for the defendants, Sachs LJ in his judgment at page 485 said *inter alia* as follows:
>
> > *... To determine whether a patentee's claim has been anticipated by an earlier publication it is necessary to compare the earlier publication with the patentee's claim ... if the earlier publication, so construed, discloses the same device as the device which the patentee by his claim, so construed, asserts that he has invented, the patentee's claim has been anticipated, but not otherwise.* In such circumstances the patentee is not the true and first inventor of the device and his claimed invention is not new ...
>
> The test for establishing lack of novelty is that each and every ingredient, element of the claimed invention must be present in a single prior art ...
>
> [19] **Proof that an invention is not new and lacks novelty because it has been anticipated by prior art constitutes a ground for invalidation of such invention** (s. 56(2) of the Act). The onus of proof lies, as regards each allegation, on the party launching the attack ...
>
> (emphasis added)

[28] Therefore the issue here is whether the defendants have succeeded in proving, on the balance of probability, that each and every ingredient of MY-567 is present in the prior art, USP '210.

[29] It is the submission of the defendants that each and every ingredient of MY-567 is present in the prior art, USP '210. The defendants submit that the description of the plaintiff's SPIND floor gully/trap can be summarised as follows:

(i) that it is embedded in the floor slab;

(ii) that it allows liquid to flow in a concentric S-flow manner;

(iii) that it is designed to enable a built-in water seal to be formed; and

(iv) that it comprises of three parts which work together to form a floor gully/trap with the functions as summarised above.

[30] The defendants submit that all the above features are present in the USP '210 and therefore the plaintiff's MY-567 patent is not new.

[31] On the other hand, it is the submission of the plaintiff that the USP '210 does not anticipate MY-567 patent. This is reflected in paras. 93 and 96 of the plaintiff's written submission:

> 93. According to PW1, USP '210 does not disclose a fluid tight arrangement between the components known as the 'inner drain body' and 'outer drain body'. Claim 1 of the Said Patent requires the Second Portion to be inserted into the First Portion and "fixed therein in fluid tight manner". However, this integer is not present in USP '210. The reasons given by PW1 are in the following words: "The inner drain in the US Patent 3,042,210 is merely supported on the outer drain body, and not in any fluid type manner. The intention of the invention is for the inner drain body to be removable for cleaning (i.e to clear "foreign matters such as mud, dust and the like" at lines 29 - 30 of Column 1). In this respect, the US Patent 3,042,210 only discloses a water trap which can only trap foreign matters such as mud, dust and debris. It does not disclose a water seal trap. In addition the design of the water trap also does not allow the outer drain to be replaced in the event of damage. The whole trap (especially the outer drain body) will need to be removed from within the floor slab to be replaced. This is in contrast to the second potion of the Patent which can be inserted from the first pipe section for repair or replacement purposes. The first pipe section can remain within the floor slab". The 'outer drain body' mentioned by PW1 (which cannot be replaced in the event of damage) is the part that is connected to the drain pipe (Please refer: Claim 1 of USP '210)
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> 96. Similarly PW3 in his report "MSE-1" also opined that USP '210 does not anticipate the plaintiff's invention because there is no water tight seal between the inner drain body and outer drain body. As explained by PW3 (based on established case law), it is settled law that for a feature to be considered present in a prior art document, the disclosure must be clear and unambiguous. The water tight seal between the two drain body components, as alleged by the 2nd defendant, is not mentioned anywhere in USP '210 at all. In the absence of such clear disclosure, USP '210 cannot be considered to anticipate the said patent.

[32] From the evidence of PW1 and PW3, the essential features of MY-567 are as follows:

(i) it is embedded in the floor slab;

(ii) it allows liquid to flow in a concentric S-flow manner;

(iii) it is designed to enable a built-in water seal to be formed;

(iv) it comprises of three parts which work together to form a floor gully/trap with the functions as summarized in paras. (i), (ii) and (iii) above; and

A (v) it is capable of being repaired in the event of damage to the internal parts which is usually the second portion by removing and replacing the damaged portion.

[33] Therefore, the experts of both sides are on common ground that both MY-567 patent and the USP '210 have the following essential features:

B (i) that the floor trap is embedded in the floor slab;

(ii) that it allows liquid to flow in a concentric S-flow manner; and

(iii) that it comprises of three parts which work together to form a floor gully/trap.

C **[34]** But where they differ are with regard to the following essential features:

(i) that the floor trap is designed to enable a built-in water seal to be formed; and

D (ii) that it is capable of being repaired in the event of damage to the internal parts which is usually the second portion by removing and replacing the damaged portion.

[35] PW3, in his expert report said that like MY-567, the USP '210 also E has the following features:

(i) it is embedded in the floor slab;

(ii) it allows liquid to flow in a concentric S-flow manner; and

(iii) it comprises of three parts.

F **[36]** PW3, in his expert report dated 20 December 2013 is of the following opinion:

> **Novelty in light of US3,042,201**
>
> ...
>
> G **Matching feature for feature**, the first portion is equivalent to the outer housing (11) which is used to fit within the concrete floor 19. **This is the same function as the first portion of MY125567**. Similarly, the second portion is equivalent to the outer cylinder (2) which fits within the outer housing (11) and acts to divert waste water down the drain (15). **This is** H **equivalent to the second portion** whereby the second pipe section (6) and the third pipe section (10) are equivalent to the inner cylinder (1) of the US 3,042,210.
>
> He inverted cup (8) includes a cover (unnumbered) which prevents fluid from directly going down the inner cylinder (1) but includes walls of the cup forming an S-shaped path for the fluid. This is equivalent to the third I portion having a cover (13) and skirt (12).

> As previously discussed, **there is no water tight seal anticipated by US3,042,210** between the outer cylinder 2 and the outer housing 11. Another disclosure which indicates US3,042,210 does not require a water tight seal at this point can be found at column 2, lines 30 to 39.
>
> (emphasis added)

[37] Therefore, in order to avoid MY-567 from being said to be anticipated by USP '210, PW3 in his report dated 20 December 2013 contends that there was no water tight seal anticipated by the USP '210. He reiterated this position in his expert report dated 14 February 2014 at p. 4/lines 11 to 14:

> In my 1st report dated 20 December 2013 I set out the comparison of MY125567 and US3,042,210 and I identify the lack of fluid tight seal in the US patent which is an essential feature of Claim 1 of MY125567.

[38] As such, the main thrust of the plaintiff's case is that the USP '210 patent did not anticipate any water tight seal. As the 'fluid tight' is not expressly stated anywhere in the USP '210 patent, therefore there cannot be a clear and unmistakable direction for the ordinary skilled person to follow.

[39] In the USP '210, column 2 line 19 to 24 reads as follows:

> Also abutting slope 12 is formed inside of outer housing 11 which in turn carries cover plate 10 having openings 9 at its top portion, and outer cylinder 2 is fitted within outer housing 11 so that abutting slopes 5 and 12 may **tightly abut together**.
>
> (emphasis added)

[40] Even though USP '210 did not use the same words 'fluid tight', the issue then is whether the phrase 'so that abutting slopes 5 and 12 may tightly abut together' means that the point of contact between abutting slopes 5 and abutting slope 12 was intended to be fluid tight.

[41] I am of the considered opinion and I agree with the defendants that any invention which is intended to serve as drainage trap must necessarily and inevitably be fluid tight. Or else it will fail as a floor trap. Therefore, the usage of the word 'tightly abut together' in USP '210 simply means that the contact surface between abutting slopes 5 and abutting slope 12 is fluid tight. Therefore, water tight seal has been anticipated from the USP '210.

[42] It is also the submission of the plaintiff that another distinctive feature of its MY-567 patent is that it is capable of being repaired in the event of damage to the internal parts ('reparability feature'), which is usually the second portion by removing and replacing the damaged portion. This, the plaintiff submits is also not anticipated in the USP '210.

[43] This reparability feature was pleaded in para. 2A the amended statement of claim. In his second report (encl. 34), PW1 said as follows:

> The inter - working of the three distinctive and separate components of the floor trap as patented in the Patent is such that it allows the trap to be repaired in the event of damage or breakage of the internal parts of

A the trap. This can be done by the removal of the damaged or broken second portion (which is the part that would be most commonly damaged), to be replaced by a new second portion part. This is stated in page 2 lines 7 - 12 of the Patent.

[44] However, it is the submission of the defendants that the patent B specification of MY-567 patent did not expressly and clearly spell out the features of 'capable of being repaired in the event of damage to the internal parts which is usually the second portion by removing and replacing the damaged second portion', as pleaded in para. 2A of the amended claim. Thus, the defendants contended that this is the 'disclaimed feature' of the C MY-567 patent.

[45] Claim 1 of MY-567 reads as follows:

A concentric "S"-type floor trap characterized in that it includes a first portion comprising a first pipe section (1) which is open at both ends, a second portion comprising an annular portion (5) of external diameter D substantially equal to the internal diameter of the first pipe section (1) and which carries on one face a second pipe section (6) which is open at both ends and on the other face at least one third pipe section (10) which is at least partially open at both ends, said second and third pipe sections (6, 10) enclosing but not necessarily being co-extensive with, the central aperture (7) of the annular portion, said annular portion (5) being capable E of being inserted into said first pipe section (1) and fixed therein in fluid tight manner and a third portion cooperating with said first and second portions to prevent liquid entering the trap from passing directly through said second pipe section (6) and comprising a cover member (13) and a fourth pipe member (known as a skirt) (12), whereby in use the first portion can be mounted in the floor, the second portion be fixed inside F said first portion with its second pipe section (6) uppermost and the third portion be positioned so that its cover member (13) covers but is spaced from the open upper end of the second pipe section (6) and the skirt (12) extends downwardly below said upper end to define an "S"-shaped flow channel through the trap.

G **[46]** From claim 1 above, there is nothing to indicate the disclaimed feature, that is the feature that is "capable of being repaired in the event of damage to the internal parts which is usually the second portion by removing and replacing the damaged second portion". The disclaimed feature has not been expressly mentioned nor stated in claim 1. I am of the considered H opinion that the plaintiff is reading this disclaimed feature into MY-567 patent which is not stated nor suggested in claim 1 at all. This clearly violates the principle laid down in *General Tire & Rubber Co v. Firestone Tyre Rubber Co Ltd* [1972] RPC 457 in that "it must contain clear and unmistakable directions to do what the patentee claim to have invented ..."

I

[47] In *Electric & Musical Industries v. Lissen Ltd* [1938] 4 All ER 221, Lord Russel of Killowen said this:

> The function of the claims is to **define clearly and with precision the monopoly claimed**, so that others may know the exact boundaries of the area within which they will be trespassers. *The primary object is to limit, and not to extend the monopoly. What is not claimed is disclaimed … Nevertheless, the forbidden field must be found in the language of the claims, and not elsewhere* … A patentee who describes an invention in the body of a specification obtains no monopoly unless claimed in the claims.
>
> …
>
> The person applying for patent is under a **statutory duty to state in the claim clearly and distinctly** what the invention which he desires to protect.
>
> (emphasis added)

[48] The above passage was cited with approval by Justice Azahar Mohamad (as His Lordship then was) in *Kendek Industry* (*supra*) where His Lordship said this:

> The need to set clear limits upon the monopoly is not only, as Lord Russel emphasized, the interests of others who need to know the area 'within which they will be trespassers' but also in the interest of the patentee, who needs to be able to make it clear that he lays no claim to prior arts or insufficiently enabled products or processes which would invalid the patent.

[49] Premised on the principles distilled from the above cases, the primary object of the claim is to limit, and not to extend the monopoly, where the monopoly claimed must be clearly defined with precision, and what is not claim is disclaimed. The reparability feature of the invention, which is not stated in claim 1, is therefore disclaimed.

[50] Premised on my reasons above, I find that the plaintiff's patent, MY-567 is not new as it was anticipated by USP '210.

Whether MY- 567 Patent Involves An Inventive Step

[51] It is also the contention of the defendants that the plaintiff's MY-567 patent is lacking in inventive step or is obvious by virtue of USP '210.

[52] In respect of inventive step, the case of *Windsurfing International Inc v. Tabur Marine (Great Britain) Ltd* [1985] RPC 71, laid the following steps to assess inventiveness:

> There are, we think, four steps which require to be taken in answering the jury question. The first is to identify the inventive concept embodied in the patent in suit. Thereafter, the court has to assume the mantle of the normally skilled but unimaginative addressee in the art at the priority date and to impute to him what was, at that date, common general knowledge in the art in question. The third step is to identify what, if any, differences

A exists between the matter cited as being "known or used" and the alleged invention. Finally, the court has to ask itself whether, viewed without any knowledge of the alleged invention, those differences constitute steps which would have been obvious to the skilled man or whether they require any degree of invention.

B **[53]** The above case was applied by Justice Azhar Mohamad in *SKB Shutters Manufacturing Sdn Bhd v. Seng Keng Shutter Industries Sdn Bhd & Anor* [2011] 4 CLJ 93 where His Lordship held that inventive steps denote a quality of an invention that entails technical advances or improvement as compared to the existing knowledge. His Lordship added that:

C **Generally, inventive steps denote a quality of an invention that entails technical advances or improvement as compared to the existing knowledge.** The requirement for inventive step is governed by section 15 of the Act. To meet the criterion, the patentee will have to show that such inventive step would not have been obvious to a person having ordinary skill in the art. The person skilled in the art should be identified in the D light of the problem that the invention is directed to solving. Obviousness is independent of anticipation. Where obviousness is in question, the area of investigation is not necessarily restricted to a single document and it may extend over an extensive field. (see: ICI Pointer's Application [1977] FSR 434) Obviousness is relevant only on the issue of inventive step. Even though the patented invention is not anticipated by prior disclosure, E it is no patentable if it obvious.

(emphasis added)

[54] Therefore, the first step is to identify the inventive concept of the MY-567 patent. With regards to 'invention', s. 12(1) of the Patents Act 1983 F defines it as follows:

An invention means an idea of an inventor which permits in practice the **solution to a specific problem in the field of technology.**

(emphasis added)

G **[55]** It is the submission of the defendants that the plaintiff's MY-567 patent is not an invention within the meaning of s. 12(1), as in practice the patent does not offer a solution to a specific problem. In fact, this was admitted by PW3 in his report that the patent specification of MY-567 does not clearly set out the solution to the problem:

H … The specification does not clearly set out the solution to the problem ...

(see p. 5/line 3/PW3 expert report dated 20 December 2013).

[56] The plaintiff however submitted that the inventive step is the I reparability concept, which allows the trap to be repaired in the event of damage or breakage, through the removal of the damaged second portion.

[57] In view of my finding above that the reparability is a 'disclaimed feature, I agree with the defendants that the reparability concept is not part of the patent specification. Premised on the proposition that 'what is not claim is disclaimed', the said reparability concept being disclaimed cannot be an inventive concept.

[58] Added to that, I also find that the plaintiff has failed to show any evidence that there was a specific problem as at 5 August 1997 that the floor gully/traps would become broken during installation or during use and when that happened, the entire trap had to be removed from the floor in which it was located and replaced and that it would be very time - consuming and involved arduous exercise.

[59] Alternatively, and I agree with the defendants that even assuming that there was such a specific problem of broken gully/traps, it was only a problem to the specific and existing product, not generally a problem in the field of technology. At best, the disclaimed feature was only a solution to some specific problem in some existing product, but not to some problem in the field of technology generally as specified by s. 12(1) of the PA 1983.

[60] On this, I echoed the sentiment of Justice Hamid Sultan Abu Backer in *Lim Choong Huat & Ors v. Syntlz Enterprise Sdn Bhd & Ors* [2010] 1 CLJ 860 HC where His Lordship said this:

> It is trite that the protection afforded by patent law is to reward those who make substantial discovery which can qualify an invention under the Act. **And the Act militates against the grant of patent or recognition to trifling devices which stand as an improvement to existing product, which however is not a solution to a problem in the particular field.** Subject to s. 17, *the improvement to a product per se in my view does not qualify for patent protection under the Act. The problem must be in respect of the particular field and not the problem faced in a particular product, per se which can easily be resolved by available technology by skilled persons in the particular field. This distinction is important to preserve the sanctity of the Act,* and courts often do so by insisting on the element of ingenuity for the product to be patented.
>
> (emphasis added)

[61] In any event, DW1 gave evidence that he has never heard or come across anyone buying only the 'bottom outlet', the second portion of SPIND floor gully/trap for the purpose of repairing instead of replacing the entire trap. Added to that, DW2, a plumber of 22 years experience, gave evidence that apart from solvent cement, there is no other joining method for the bottom outlet to be joined to the pipe sleeve and that once joined, it is unlikely that the bottom outlet (the second portion) to be replaced because once cemented, it would have become one unitary piece. As such, I agree with the defendant that the inventive step of reparability of MY-567 patent, is only good on paper but remained unachievable in practical application.

[62] Apart from the reparability feature, the plaintiff also submits that the other inventive concepts of MY-567 patent are the feature of 'fluid tight seal' and the 'installation method'. This is the finding of PW1 in his expert opinion, whereas in his expert opinion, PW3 has identified the reparability to be the inventive concept.

[63] With regards to the 'fluid tight' feature, in view of my finding that the same can be found in the USP '210, it therefore cannot be an inventive concept. With regards to the 'installation method', it is just a guideline of installation of the plaintiff's SPIND floor gully/trap and makes no contribution towards the advancement of technology.

[64] In the premise, I find that the MY-567 patent is not an invention within the meaning of s. 12(1) of the Patents Act 1983. Added to that the MY-567 patent is neither novel nor involves inventive steps to qualify it as a patented product. As such, I will allow the defendants' declaration that the MY-567 patent is invalid and expunged the same from the patent registry.

[65] In view of my finding that MY-567 patent is invalid; there is therefore no issue of the defendants infringing the plaintiff's MY-567 patent.

Issues On Industrial Designs

[66] The plaintiff is the proprietor of Malaysian Industrial Design No. MY-05-00129-A ('the ID') in respect of six ID where the novelty statement states:

> THE NOVELTY OF THE DESIGN RESIDES IN THE FEATURES OF SHAPE AND CONFIGURATION OF THE ARTICLE AS SHOWN IN THE REPRESENTATION.

[67] The plaintiff claims that the defendant PAZTEE floor gully/trap has infringed the plaintiff's ID or is a fraudulent or obvious imitation of the same. In their counterclaim, the defendants challenged the validity of the plaintiff's ID. If the plaintiff's ID is invalid, then there is no issue of infringement.

[68] The defendants relied on two main grounds to invalidate the plaintiff's ID, namely:

(i) that the ID lacked eye appeal; or

(ii) that the ID are solely dictated by function.

[69] Foremost, in order to qualify for registration as an ID, the said ID must be an industrial design within the meaning of s. 3(1) of the Industrial Designs Act 1996 ('IDA 1996'). The said provision defines industrial design as:

> features of shape, configuration, pattern or ornament applied to an article by any industrial process or means, being features which in the finished article appeal to and are judged by the eye, but does not include:

(a) a method or principle of construction; or

(b) features of shape or configuration of an article which -

(i) are dictated solely by function which the article has to perform; or

(ii) are dependent upon the appearance of another article of which the article is intended by the author of the design to form an integral part,

[70] The definition of industrial design in s. 3(1) was considered in *F&N Dairies (Malaysia) Sdn Bhd v. Tropicana Products, Inc & Other Cases* [2013] 1 LNS 380 where the Court of Appeal held as follows:

35. Other than the two exclusions (a) and (b) to the definition of industrial design in section 3(1) of the IDA 1996, **the features of shape or configuration of the finished article must 'appeal to and are judged by the eye' before it can be registrable.** An article is excluded from the definition and therefore **not registrable as an industrial design if its features of shape or configuration are dictated solely by the function which the article has to perform, even if the article 'appeals to the eye'.** If the shape or configuration is not there to appeal to the eye but solely to make the article work then it is excluded from statutory protection ...

(emphasis added)

Issue On 'Eye Appeal'

[71] It is the submission of the plaintiff that the defendants have failed to call any customer or direct purchaser of the gully trap that the ID has eye appeal.

[72] It is common ground that in considering "appeal to the eye", it is the eye of the customer, not the court, that is relevant. As to who is the real customer, the Court of Appeal in *F&N Dairies (Malaysia) Sdn Bhd* (*supra*) said as follows:

36. It has been stressed by the House Of Lords in Amp Incorporated (supra) that in considering 'appeal to the eye' it was the eye of the customer, not the court, which is relevant. In that case Viscount Dilhome (at pages 118 119 of the report) said:

I agree that the eye in quest ion is the eye of the customer on a visual test. The customers for terminals of the receptacle and tab variety are electricians and those concerned with electric wiring. I do not think it impossible that an electrician looking at the respondents' terminal would say that it appealed to his eye. He might say that it looked to him a cleaner and stronger type of terminal than any of the others which were shown to us. He might say that looking at it, it appeared to him the most useful for his purpose. I therefore think that the designs of the terminals registered by the respondents satisfy the first part of the definition of design, and if that stood alone, the registrations would be valid. Why though would such a terminal appeal to the eye of an

> electrician? A silver teapot may be made in many different shapes. Some will attract some customers and some others. They will be attracted by a particular shape not because one teapot serves the purpose for which it is made better than another. But a terminal will appeal to the eye of an electrician only if he thinks it best for his purpose. It is its suitability for its function that will decide his choice and the last part of the definition makes it clear that if its shape and configuration are dictated solely by its function, as in my opinion it was in this case, it is not registrable as a design under the Act ...

[73] From the evidence before this court, PW6 said that the SPIND floor gully/trap is first shown to the architects and the consultants who would then decide whether to recommend it to be used. Therefore, the real customers of the plaintiff's SPIND floor gully/trap are the architects and the consultants. However, the plaintiff did not call any architect or consultant to give evidence on 'eye appeal'. On the plaintiff's contention that the defendants have failed to call any witness on 'eye appeal', I find that premised on the decision of the Court of Appeal in *F&N Dairies (Malaysia) Sdn Bhd* (*supra*), the burden to prove 'eye appeal' lies with the person who sought to register the exclusivity of the ID. The Court of Appeal in *F&N Dairies (Malaysia) Sdn Bhd* (*supra*) held as follows:

> 47. The **burden is still on the Respondent as the Plaintiff at the trial court to establish the 'eye-appeal' element by adducing evidence from the real customers of the 'finished articles' in question i.e the bottles.** Both **PW3 and PW5 to our mind are not the real customers for that purpose.** Therefore, we are of the view that **the 'eye appeal' element in the features in the finished article, which is the main consideration under the definition, is not established.** On **this ground alone, we find that the Respondent's 624 Design does not fall within the definition of 'industrial design'** under section 3(1) of the IDA 1996 and therefore not registrable under section 12 of the same Act. As clearly said by Lord Oliver of Aylmerton in *Interlago AG* (*supra*): **'It is the essential element of a design as defined by the Act that it has 'eye-appeal'. If it does not have that it fails to qualify without reference to the exclusion a at all**
>
> (emphasis added)

[74] Therefore, I am of the considered that the plaintiff has failed to establish the 'eye appeal' of the plaintiff's ID, which is the main consideration under the definition s. 3(1) of the IDA 1996. The plaintiff has failed to produce any of their customers, the architects or the consultant to establish the 'eye appeal'. Premised on the case of *F&N Dairies (Malaysia) Sdn Bhd* (*supra*), I find that the plaintiff has failed to establish the 'eye appeal' element and as such the plaintiff's ID does not fall within the definition of 'industrial design' under s. 3(1) and is therefore not registrable under the IDA 1996.

Issue Of 'Solely Dictated By Function'

[75] In view of my finding on 'eye appeal', I do not propose to deal with the defendants' contention on the issue of 'solely dictated by function' and whether the plaintiff's ID are new, within s. 12(2)(a) of the IDA 1996.

Confidential Information

[76] The next issue raised by the plaintiff is whether the second defendant is in breach of the confidential information of the plaintiff. It is not in dispute that the second defendant, DW3 was appointed a marketing consultant of the plaintiff from 2008 to 2011.

[77] I accepted the plaintiff's contention that the crucial confidential information relates to the proposed new design SPIND II floor gully/trap that was discussed in the two technical meetings, which the plaintiff's claim was attended by the second defendant. The proposed new design was said to be discussed during the first technical meeting whilst the mock-up model was said to be presented in the second technical meeting.

[78] However, the minutes of the said technical meetings which the plaintiff relied upon are not contemporaneous documents, as the same were only created about three years after the said meetings, after the commencement of this suit.

[79] This is further complicated by the evidence of PW7 who testified that there was no technical meeting in the plaintiff's company during the tenure of her employment. But then again, as against the evidence of PW2, PW4, PW5 and PW6, PW7 said that the alleged confidential information was discussed during the first marketing meeting, which may have been attended by DW3, who was the marketing consultant. However, in view of the material discrepancy in the evidence of the plaintiff's own witnesses, I am not prepared to accept the plaintiff's contention that the confidential information was related to DW3 during the technical or marketing meetings.

Unlawful Interference With Trade

[80] In their counterclaim, the defendants are seeking damages premised on unlawful interference with trade against the plaintiff. However, I find that the defendants have failed to prove on the balance of probability for the claim of the unlawful interference with trade.

Conclusions

[81] Premised on my finding above, the plaintiff's claim is dismissed and the defendant's counterclaim is allowed with costs.